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April 10, 2017

Kris Monteith
Acting Wireline Competition Bureau Chief
Federal Communications Commission
445 Twelfth Street, SW
Washington, D.C. 20554

Re: *Protecting and Promoting the Open Internet*, GN Docket No. 14-28, *Connect America Fund*, WC Docket No. 10-90, *Developing a Unified Intercarrier Compensation Regime*, CC Docket No. 01-92

Dear Ms. Monteith:

Pursuant to the Federal Communications Commission's ("FCC" or "Commission") *Open Internet Order*,¹ Highland Telephone Cooperative ("Highland" or the "Company"), Study Area Code 190237, hereby notifies the Wireline Competition Bureau ("WCB" or "Bureau") of its intention to cease offering its DSL broadband Internet transmission service as a separate component of its broadband Internet access service effective July 1, 2017. As such, the transmission component will not be provided as a separate regulated service and will only be provided as part of the complete broadband Internet access service that the Company offers to end user customers within its Virginia serving area, either through the Company or through an affiliated company.

Highland currently provides broadband Internet transmission service as a tariffed offering pursuant to NECA Tariff F.C.C. No. 5. The only customer for the Company's broadband Internet transmission service is the Company's affiliate nonregulated ISP. Notice to the affiliate ISP was provided this date by interoffice memorandum that the Company will discontinue the offering of broadband Internet transmission service as a separate component of its broadband Internet access service effective July 1, 2017.

The Commission made clear in the *Rate-of-Return Connect America Fund Order*,² as well as the *Clarification Order*,³ that a rate-of-return carrier could make the retail offering

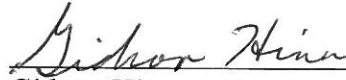
¹ *Protecting and Promoting the Open Internet*, GN Docket No. 14-28, Report and Order on Remand, Declaratory Ruling and Order, 30 FCC Rcd 5601, ¶ 460 and n. 1378 (2015).

² *Connect America Fund*, WC Docket Nos. 10-90, et al., Report and Order, Order and Order on Reconsideration and Further Notice of Proposed Rulemaking, FCC 16-33, ¶ 194, n. 428 (rel. Mar. 30, 2016).

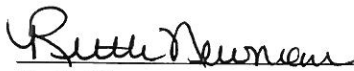
described in the foregoing first paragraph, and thus the revenues associated with the broadband Internet access transmission would no longer be subject to the federal universal service assessment pursuant to FCC Form 499-A.

Please contact the undersigned if you have any questions,

Sincerely,



Gideon Hiner
Co-General Manager
Highland Telephone Cooperative



Ruth Newman
Co-General Manager
Highland Telephone Cooperative

cc: Pamela Arluk, Chief, Wireline Competition Bureau Pricing Policy Division
Special Assistant for Telecommunications at the Department of Defense
The Office of the Honorable Terry McAuliffe, Governor of Virginia
Virginia State Corporation Commission
National Exchange Carrier Association

³ *Connect America Fund*, WC Docket Nos. 10-90, et al., Order DA 16-661, ¶ 25 (WCB, rel. June 15, 2016) (citing the *Open Internet Order*).

CERTIFICATE OF SERVICE

I hereby certify that the foregoing Notification of Discontinuance of broadband Internet transmission service as a separate component of its broadband Internet access service was served this 10th day of April, 2017 by mailing true and correct copies thereof, postage prepaid, to the following persons:

Secretary of Defense
Attn: Special Assistant for Telecommunications
1000 Defense Pentagon
Washington, D.C. 20301-1000

The Honorable Terry McAuliffe
Office of the Governor
P.O. Box 1475
Richmond, VA 23218

Office of the Clerk
Virginia State Corporation Commission
P.O. Box 1197
Richmond, Virginia 23218

National Exchange Carrier Association
80 South Jefferson Road
Whippany, NJ 07981